

Executive Committee Meeting Minutes – Monday, May 19, 2003

Chairman Dwyer called the meeting to order at 8:31 a.m. and led the Committee in the Pledge of Allegiance.

Present: Chairman James Dwyer, County Board Supervisors Patricia Haukohl, Kenneth Herro, Walter Kolb, Richard Manke, Duane Paulson and Duane Stamsta. Supervisor Herro arrived at 9:03 a.m.

Also Present: County Board Chief of Staff Lee Esler, Legislative Advisor David Krahn, Legislative Advisor Mark Mader, Representative Mickey Lehman, Internal Audit Manager Lori Schubert, Risk Manager Laura Stauffer, Principal Internal Auditor Joe DeAntonis, Waukesha County Federated Library System Director Tom Hennen, Senior Financial Analyst Andy Thelke, Senior Financial Analyst Mike Baniel, Supervisor Hank Carlson, Accounting Services Manager Larry Dahl and Office Services Coordinator Windy Jicha.

Correspondence

Chairman Dwyer reviewed and passed out the list of correspondence. He said Supervisors should let Jicha know if they want copies of the listed items. Haukohl added an additional piece of correspondence regarding the Sussex Meal Site program.

Public Comment

Manke said that he would like the board to look into the Wisconsin Energy ads on TV. He would like the board to draft a resolution against the 60-seconds Wisconsin Energy commercials that are shown during prime time.

Discuss Tax Incremental Financing District Laws Under Current Statutes

Representative Lehman presented his proposed draft resolution on Tax Incremental Financing to the committee. He covered what the resolution is designed to do and how it works. Initially he was labeled the dooms person for Tax Incremental Financing (TIF). Some legislators would like the program to go away but it is a tool that Wisconsin needs to remain competitive. A group worked to see what could be worked out. Most of the original work is from a task group Governor Thompson brought together. The proposal would put an end to the constant stream of legislation to authorize Tax Incremental Districts (TIDs) where cities and villages failed to follow the statutes in creating the districts. The proposal also prohibits cities and villages from using tax increments to provide cash grants to owners or developers' land within the TID unless the recipient of the grant has signed a "development agreement" with the city or village. It also requires a public hearing to be held if a city or village intends to pay cash grants to owners or developers of land within a TID. The proposal requires a public hearing on any proposed development agreement with an owner or developer who would receive any cash grants from tax increments.

Lehman said the proposal restricts the circumstances under which "Greenfield" land that is annexed from a town may be included in a TID. The proposed resolution creates a new type of authorized TID called a "mixed use development." Under the proposal, a city or village may create a TID if it determines that at least 50% of the area within the proposed district is suitable for a combination of industrial, commercial or residential use, where the proposed residential use is not more than 35% by area of the TID. The residential development would be suitable for the types of jobs developed in the TID and bring in employment. A good example of this is the Quad Graphics plant in Lomira. They built the facility and then the residential development across the street. Residential development was included in the language because of a recommendation from the Kettl Commission. It provides an option if you are creating jobs and need housing. They aren't providing any subsidies for the residential. The increment won't go to the reduction of debt.

Supervisor Herro arrived at 9:03 a.m.

Herro said with new developments such as Pabst farms, mass transit or lower cost housing isn't brought to those who will live there. These types of items have to be brought forward at the public hearings at the beginning of the process.

Lehman said the average time for a TIF is 12.6 years. There's never been a TIF in Wisconsin that has been designated a failure. This proposal prohibits the joint review board from approving a proposed TID unless, in its findings, it makes a positive assertion that in its judgment the development described in the TID project plan would not occur without the creation of the TID. Under current law the maximum life of a TID is 23 years. The proposal reduces the maximum life of a TID to 20 years. The maximum life of a TID created to encourage blight or to rehabilitate territory would remain at 23 years. Under current law, a city or village must make its project expenditures for a TID within seven years after the district is created. The proposal would allow expenditures to be made within a ten-year period but would not increase the maximum life of the TID. This allows for a higher level of accountability for expenditures. The proposal requires a city or village that terminates a TID to file a final report with the Department of Revenue. The proposal authorizes cities and villages to amend TID project plans to delete territory from the district if the deletion makes the remaining TID contiguous. The proposal provides that the tax incremental base of a district from which territory is deleted, must be re-determined.

Lehman said this bill is in draft form and it should be completed shortly after the budget is done so it won't be in the budget. They will hold public hearings so people are aware of bill. The major change with this resolution is public hearings, the percentages of residential, commercial and industrial development and the authority to enforce TIFs.

Haukohl said this proposal tightens the accountability. She asked, how much does the public know about TIFs? What does the public actually have to say in this? Lehman said the public elects their officials. The mixed-use development TIF is not designed for high-class residential neighborhoods, but rather affordable housing. How do you clarify what is affordable? There are times even in blighted areas where residential development may be the best use of the land.

The committee took a five-minute break.

Presentation of the Worker's Compensation Audit

Stauffer and DeAntonis were present to discuss the audit. DeAntonis said the audit identifies five issues and recommendations to improve the Worker's Compensation process in Waukesha County. Laura Stauffer agrees with all recommendations. Waukesha County's Worker's Compensation is self-insured and it appears advantageous for the county to continue being self-insured. There is a considerable amount of administrative time and effort put into handling Worker's Compensation issues. The claims this audit refers to are for represented and non-represented employees.

DeAntonis said a 2002 consultant's study indicated that the county has fewer accidents and losses than the industry average. The TPA and county hire a nurse or doctor to review some Workers' Compensation claims. A third party administrator (TPA) determines if claims are compensable and work related. The TPA pays most of the expenses for claims and then the county reimburses the TPA for payments. The TPA may use a nurse to review the case and help understand all medical ramifications of a case. Sixty-five percent of the claims in 2001-2002 were considered minor. The audit staff conducted a financial review and found all variances were properly explained. DeAntonis explained the chart on page 11 titled, Summary of Claims Expenditures & Reserves 2000-2002. Medical expenses are the largest benefits paid on an annual basis. Employees may go to any provider for treatment and can get only two opinions on an injury unless there are referrals to other doctors.

DeAntonis went through the recommendations and management responses for the committee. The management was in agreement with all recommendations.

Regarding recommendation number three, wage loss benefits, Stauffer said wage loss benefits are paid through the Ceridian payroll system. Risk Management is going to run a cost analysis of wage loss benefits to see if it is worth it for the TPA to process the payments. It was found that some employees received the correct amount of benefit pay but were over-taxed. This was due to a Ceridian data entry error. These errors may have been occurring since 1995. The other error was a system error in Ceridian so disability pay was overstated. It is not known how the system overpaid. Risk Management, along with the Department of Administration, will look at 2002 payments for errors and should be finished during May. They just started the review and found eight claims so far with data entry errors but haven't added up the dollar amounts yet. Stauffer will consult with an IRS specialist to see if the amounts should be reviewed for tax changes. Stauffer expects the amounts to be minimal.

Esler asked Stauffer to elaborate on supervisors needing to be better trained as outlined in recommendation number four and the guidelines for restricted duty outlined in recommendation number five. Stauffer said they write periodic articles for the County Beat Newsletter on the process and Risk Management staff presents Worker's Compensation 101 at Management University. Risk Management is going to develop part two of their Management University presentation to get more into role-playing and the how-to process. The staff goes to safety training days put on by some departments to educate supervisors on the claims preparation process. Because Worker's Compensation claims don't happen frequently, supervisors don't remember all the steps needed to complete the process. Risk Management needs to be more diligent to get all steps completed on time.

Stauffer said in regards to restricted or light duty, change in work is decided by the supervisor and needs to fit with the employee's needs. It is up to the supervisor to find something the restricted employee can do. It is up to each department to decide if they have light duty tasks. These duties change over time depending on the work that is available. Risk Management can work with the doctors to try to evaluate restrictions and update any changes in a timely fashion.

Paulson asked if you could set up a program to help supervisors follow the timelines? Laura said the biggest problem with timeliness is that Risk Management isn't always notified immediately of a work related injury.

Herro left the room at 11:00 a.m.

MOTION: Manke moved, Stamsta second, to accept the Workers' Compensation Audit and to refer it to the Personnel and Finance Committees. **Motion carried:** 6-0.

Approve Minutes of May 5, 2003

MOTION: Stamsta moved, Haukohl second, to approve the minutes of May 5, 2003. **Motion carried:** 6-0.

Chair Comments

Dwyer said NACo is sending out information to Wisconsin counties asking for volunteers to help set up, welcome and check-in guests, answer questions about the surrounding area, etc. for the upcoming NACo conference. Dwyer said the board staff will forward volunteer information to the committee chairs to help secure volunteers for the event. Dwyer said supervisors did not need to be registered for the conference to volunteer.

Supervisor Herro returned to the meeting at 11:05 a.m.

Meeting Approvals

MOTION: Stamsta moved, Paulson second, to approve attendance of the Executive Committee at the public hearing on the revision to the Shoreland Ordinance on June 3, 2003 at 8:30 a.m. in room 179 of the Waukesha County Courthouse. **Motion carried: 7-0.**

Discuss and Consider the Following Appointments:

158-A-005: Appointment of Jerry Wolff to the Community Development Block Grant Board

MOTION: Paulson moved, Stamsta second, to approve 158-A-005: Appointment of Jerry Wolff to the Community Development Block Grant Board. **Motion carried: 7-0.**

158-A-006: Appointment of Scott Klein to the Community Development Block Grant Board

MOTION: Haukohl moved, Herro second, to approve 158-A-006: Appointment of Scott Klein to the Community Development Block Grant Board. **Motion carried: 7-0.**

158-A-007: Appointment of Michael Knapp to the Community Development Block Grant Board

MOTION: Manke moved, Haukohl second, to approve 158-A-007: Appointment of Michael Knapp to the Community Development Block Grant Board. **Motion carried: 7-0.**

Future Agenda Items

- Airport/Expo/Northview land use plan. Dwyer said Dale Shaver is putting together information on this plan and will soon present it to his supervisor. Shaver knows with budget cutbacks, it will be difficult to get money for this type of project.

Discuss and Consider the Act 150 Waukesha County Plan for Library Services with an Emphasis on Capital Costs Recommendation

Dwyer said the committee needs clarification of the capital cost replacement language found in the Act 150 full report versus the executive summary. The Act 150 committee wasn't able to come to consensus on this issue so they referred it to a to-be-developed committee to handle.

Esler said after the last Executive Committee meeting he wrote an ordinance per the request of the Executive Committee. He sent it to Hennen and then through the legislative process. Esler said Norm Cummings was not in agreement with the ordinance because it put the county in the way of paying capital costs for libraries. Page 24 of the full Act 150 report states, "the committee recommends a change in the shared responsibility for capital costs to include a county role. The committee recommends option 1 below. An ad hoc committee should be formed to prepare a definitive plan for the collection and distribution of monies to aid in the capital costs of libraries in Waukesha County. The county board chair will appoint the committee. "

Herro agrees with Norm Cummings. This is a clear shift in policy. Hennen said if you don't shift money to capital costs this won't be an issue.

Carlson said as a member of the Act 150 committee and a local library board, the whole idea behind the capital costs idea was to create fairness of costs. This would give those communities without libraries a means to pay for the libraries their residents use because communities without libraries aren't paying their fair share. Residents from communities with libraries are paying a lot of money to fund libraries that are being used by people from many different communities.

Herro recommended removing “the committee recommends a change in the shared responsibility for the capital costs to include a county role.” The box should instead read, “The committee recommends option 1 below.”

Stamsta said the philosophy of a library is that it is free for everyone and we have to pay for them somehow.

The committee debated how to handle the issue at some length. Haukohl said maybe a subcommittee of the Act 150 Committee should review this issue and come back with a recommendation. The committee has had the time to study this issue and she thinks a subcommittee would be the best group to handle it.

Esler said the ordinance basically says that the plan will be adopted. This means that it will be adopted with a policy that the formula it to include capital costs. The ordinance will create an ad hoc committee with the charge of figuring out what technique works best to allocate capital costs and how to distribute the funds to the community. It will have to decide which model will be accepted for the distribution of funding. Esler said the Dane County method of determining costs is a simple technique.

Hennen said when it comes to voting on dollar and cents, it becomes policy. He is ok with removing the phrase stating the county is responsible for capital costs. He doesn't think removing those words will change the Act 150 recommendations.

Dwyer said maybe this should be brought to the full board with a presentation about the WCFLS by Hennen and then the board could discuss all of these issues.

MOTION: Haukohl moved, Stamsta second, to remove the following wording from the WCFLS Act 150 report, page 24, under the Current Committee Recommendation, “to include a county role” and to add in its place “and”. **Motion carried:** 7-0.

WCA Report

Dwyer reported at the last WCA Board of Directors meeting the group discussed equity issues regarding the state budget and potential cuts and changes to shared revenue. There are small counties in northern Wisconsin that thrive on shared revenue. Many problems will evolve from these changes. The transportation aides will be frozen to fund the Marquette Interchange project. All projects are on schedule at this point. All projects for this year will be funded and funds will be frozen at a 2002 level.

Last Monday there was a retreat for all members of the Criminal Justice Collaborating Council (CJCC). This was preceded by an hour and a half discussion between Bob Gibson and each member of the council separately, on what is working and what is not working with the council. At the retreat, the group discussed the steps taken to get the council where it is today and agreed many pieces are falling into place. The council is quite pleased with the support of the members. The committee would like to remain independent of all justice systems. This is a problem because there needs to be accountability for the work. The hiring of the screeners is going to be the next objective for the committee. Dwyer said he is very encouraged by what has been accomplished.

Committee Reports

Public Works – Manke said the committee will approve the bids for the Justice Center on June 26. The ground breaking is scheduled for July 10, 2003 at 10 a.m.

Personnel – Paulson said the committee will review an ordinance at its next meeting on the transition plan for supervisors at the communication center and the ratification agreement for the ACCORD group. The county was successful in ASFCME arbitration.

Finance - Haukohl said the committee is looking into the sale of tax-foreclosed properties.

Judiciary – Stamsta said at the last meeting, Bucher presented the Think Straight grant for young adults.

Motion to Adjourn

MOTION: Haukohl moved, Paulson second, to adjourn the meeting. **Motion carried: 7-0.** Meeting adjourned at 12:21 p.m.

Respectfully submitted,

Duane E. Paulson
Secretary